EXHIBIT D

From:	Sytcheva, Elena (HPD) [/O=CS HOSTING/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=SYTCHEVA, ELENAE6C]
Sent:	4/16/2018 9:35:44 PM
To:	Rifenburgh, Mary-Lynne (HPD) [rifenm@hpd.nyc.gov]; Darga, Kimberly (HPD) [dargak@hpd.nyc.gov]; Talma, Lisa (HPD) [talmal@hpd.nyc.gov]; Hendrickson, Anne-Marie (HPD) [hendrica@hpd.nyc.gov]; Matthews, Mark (HPD) [matthewm@hpd.nyc.gov]; Langloss, Kent (LAW) [klanglos@law.nyc.gov]
CC:	Block Weissman, Meryl (HPD) [blockm@hpd.nyc.gov]; Marti, Francesc (HPD) [martif@hpd.nyc.gov]; Tauber, Lacey (HPD) [tauberl@hpd.nyc.gov]; Smith, Meghan (HPD) [smithmeg@hpd.nyc.gov]; Blume, Amy (HPD) [blumea@hpd.nyc.gov]; Mallory, Sarah (HPD) [mallorys@hpd.nyc.gov]
Subject:	RE: TPT/HDFC Hearing Prep
Attachments:	4 16 18_TPT and HDFC QA -v1.docx

Hi all,

Attached please find the latest draft of the Q&A document for the TPT hearing with edits and comments. There are still a few outstanding questions and data requests remaining. Please review and let me know if there is anything that you can address.

Feel free to reach out if you have any questions.

Thanks,
Elena

Elena Sytcheva
Deputy Chief of Staff, Office of Development
NYC Housing Preservation and Development
Sytcheve@hpd.nyc.gov
(212) 863 - 6012

From: Rifenburgh, Mary-Lynne (HPD)
Sent: Thursday, April 12, 2018 11:07 AM
To: Mallory, Sarah (HPD); Darga, Kimberly (HPD); Talma, Lisa (HPD); Sytcheva, Elena (HPD); Hendrickson, Anne-Marie (HPD); Matthews, Mark (HPD); Langloss, Kent (LAW)
Cc: Block Weissman, Meryl (HPD); Marti, Francesc (HPD); Tauber, Lacey (HPD)
Subject: RE: TPT/HDFC Hearing Prep

I'm adding Kent because my comments are on legal aspects of this. Kent, this is an internal HPD document being prepared for an upcoming Council hearing. I'm including you because some of the material is legal with respect to the program.

My thoughts on some of these:
Question 21: second bullet, the prohibition against HDFC coops petitioning for ownership is in HPD's RULES, not the statute. 28 RCNY 8-03(e)(9)

Question 22: I think it should be made clear that once a judgment is entered, there is a statutory timeline that goes into effect that we cannot change.

Question 24: HPD amended the TPT rules in 2010 to prohibit failed HDFCs from applying for ownership. See below for the statement of basis and purpose from that rule amendment (part that is bold and underlined relates to the change in the HDFC part:

Statement of Basis and Purpose in City Record Sept. 23, 2010:

This rulemaking amends the rules pertaining to in rem foreclosure affecting distressed property and certain other properties. Under the Third Party Transfer program, the City forecloses on tax delinquent properties which are in financial and physical distress, and conveys them to new owners who are qualified to repair and maintain them. The amendment modifies the rules relating to submission of applications by tenants and their sponsors, when they are seeking eventual ownership of a Third Party Transfer property as a cooperative. In the past, only not-for-profit entities could sponsor such applications for the tenants. Under the amendment, the sponsors would no longer have to be not-for-profit entities. In addition, 80% of the Tenant households, rather than 60% would have to sign such applications, to ensure adequate interest in and commitment to ownership by the tenants. **The amendment would also preclude such tenant applications where the property was previously owned by a cooperative corporation formed by a Housing Development Fund Corporation (HDFC). Since the buildings are generally in severe financial and physical distress, rehabilitation and administration as a rental property by a new owner will better serve the occupants and ensure the building's future viability. The amendments will improve the outcome for buildings that are transferred under the Third Party Transfer Program.**

Question 32: second bullet should read: "Owners and HDFCs have the opportunity to redeem their properties by paying IN FULL, OR, BY paying 50% of the municipal arrears and then entering into a payment agreement for the remainder of their charges due."

Question 33: End of the bullet should say that "the City DOES NOT accept installment agreement requests at this point."

Question 48: If the Council disapproves a transfer, the building will remain with the current owners and will continue to accrue arrears, making its financial situation increasingly unsupportable.

Question 53—about whether HPD can "halt" TPT for only HDFC Coops or for one property in particular. I don't think we want to say most of this but: The answer here is first, legally, we have an obligation to treat all similarly situated properties the same. We can't be arbitrary and capricious in cherry picking which properties get transferred and which do not.
Second, we have no say over the timeline that is running.
However, we don't **HAVE t**o ultimately transfer any properties at all—so if there was a legitimate reason, we wouldn't transfer—but the best way for this to happen is for the Council to pass a law to prevent it. Note that we have not transferred particular properties in the past when there was a last minute reason.

From: Mallory, Sarah (HPD)
Sent: Thursday, April 12, 2018 10:16 AM
To: Darga, Kimberly (HPD); Talma, Lisa (HPD); Sytcheva, Elena (HPD); Hendrickson, Anne-Marie (HPD); Matthews, Mark (HPD)
Cc: Block Weissman, Meryl (HPD); Marti, Francesc (HPD); Tauber, Lacey (HPD); Rifenburgh, Mary-Lynne (HPD)
Subject: TPT/HDFC Hearing Prep

Hi all,

Please see the attached incomplete draft 1. A lot of questions and data need to be filled in and confirmed by TPT and DEV. I know this will take time. Please let me know when is a reasonable expectation to have a majority of this information. Monday EOD? Then I can go through it one more time to fine tune a first draft for Kim to review. I will also be working on the testimony to have a working draft by tomorrow.

Thanks!

Best,
Sarah Mallory
Senior Legislative Analyst | NYC Dept. of Housing Preservation and Development
212.863.6763